

Summary of Financial Report for the 3rd Quarter of FY2023 (Non-Consolidated)

January 30, 2024

Listed Company Name: Japan Tissue Engineering Co., Ltd. Listed Securities Exchange: Tokyo Growth
 Stock Code: 7774 URL <https://www.jpte.co.jp>
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(Rounding down to the nearest million yen)

1. Results for the 3rd Quarter of FY2023 (April 1, 2023 to December 31, 2023)

(1) Business Results (% indicate increase / decrease on previous fiscal year)

	Net sales		Operating income		Ordinary income		Net income	
	million yen	%	million yen	%	million yen	%	million yen	%
3 rd quarter of FY2023	1,785	23.7	-51	—	-50	—	-53	—
3 rd quarter of FY2022	1,443	-9.5	-624	—	-622	—	-625	—

	Net income per share	Net income per share, diluted
	yen	yen
3 rd quarter of FY2023	-1.32	—
3 rd quarter of FY2022	-15.41	—

(2) Financial Condition

	Total assets	Net assets	Equity ratio
	million yen	million yen	%
3 rd quarter of FY2023	6,860	5,883	85.8
FY2022	6,883	5,937	86.3

Note: Shareholders' equity 3rd quarter of FY2023: 5,883 million yen FY2022: 5,937 million yen

2. Cash Dividends

	Dividends per share				
	Q1 end	Q2 end	Q3 end	Term end	Annual
	yen	yen	yen	yen	yen
FY2022	—	0.00	—	0.00	0.00
FY2023	—	0.00	—	—	—
FY2023 (Forecast)	—	—	—	0.00	0.00

Note: Revisions to cash dividends this quarter No

3. Forecast for FY2023 (April 1, 2023 to March 31, 2024)

(% indicate increase/decrease on previous year)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
FY2023	2,749	35.3	126	—	127	—	109	—	2.69

Note: Revisions to forecast this quarter No

*Disclaimer regarding appropriate use of forecasts and related points of note

The above-mentioned forecasts are based on the information available on the date of release of these materials and on various assumptions made on the date of release of these materials including uncertain factors and may affect future earnings. Actual operating results may differ significantly from those forecasts as a consequence of various factors.

Japan Tissue Engineering Co., Ltd.
Non-consolidated Financial Statements for 3rd Quarter of FY2023
(April 1, 2023 - December 31, 2023)

(1) Non-consolidated Balance Sheets

(Thousands of yen)

	FY2022 As of March 31, 2023	FY2023 Q3 As of December 31, 2023
Assets		
Current assets		
Cash and deposits	4,134,570	4,062,843
Notes and accounts receivable - trade	520,216	436,570
Electronically recorded monetary claims - operating	56,012	39,073
Work in process	30,833	25,595
Raw materials and supplies	206,788	190,726
Other	262,941	453,061
Total current assets	5,211,363	5,207,870
Non-current assets		
Property, plant and equipment		
Buildings, net	746,600	695,271
Land	582,770	582,770
Other, net	238,112	235,633
Total property, plant and equipment	1,567,483	1,513,674
Intangible assets	93,580	98,473
Investments and other assets	10,892	40,904
Total non-current assets	1,671,956	1,653,052
Total assets	6,883,320	6,860,922
Liabilities		
Current liabilities		
Notes and accounts payable - trade	67,712	22,827
Electronically recorded obligations - operating	68,209	57,784
Income taxes payable	23,561	19,266
Provision for bonuses	127,352	63,333
Provision for bonuses for directors (and other officers)	3,685	-
Other	620,725	779,218
Total current liabilities	911,246	942,431
Non-current liabilities		
Provision for retirement benefits for directors (and other officers)	34,900	34,900
Total non-current liabilities	34,900	34,900
Total liabilities	946,146	977,331
Net assets		
Shareholders' equity		
Share capital	4,958,763	4,958,763
Capital surplus	2,788,763	2,788,763
Retained earnings	-1,810,045	-1,863,627
Treasury shares	-307	-308
Total shareholders' equity	5,937,173	5,883,591
Total net assets	5,937,173	5,883,591
Total liabilities and net assets	6,883,320	6,860,922

(2) Non-consolidated Statements of Income

(Thousands of yen)

	FY2022 Q3	FY2023 Q3
	April 1 – December 31, 2022	April 1 – December 31, 2023
Net sales	1,443,615	1,785,633
Cost of sales	648,410	606,805
Gross profit	795,205	1,178,827
Selling, general and administrative expenses	1,419,665	1,230,497
Operating loss	-624,460	-51,669
Non-operating income		
Interest and dividend income	863	587
Income from employee	715	705
Other	1,282	522
Total non-operating income	2,862	1,815
Non-operating expenses		
Foreign exchange losses	1,199	875
Loss on retirement of non-current assets	0	0
Total non-operating expenses	1,199	875
Ordinary loss	-622,797	-50,729
Loss before income taxes	-622,797	-50,729
Income taxes - current	2,851	2,852
Total income taxes	2,851	2,852
Loss	-625,649	-53,581